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UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
State College, New Mexico

NEW MEXICO

WEEKLY FARM PROGRAM NEWS

8-5-49
NO. 357

FUMIGATION MAY MEAN PROFITS, FARMERS TOLD - Farmers with wheat stored on their farms -- whether under Government loan or not -- can do a lot to protect their crop returns by fumigating wheat when insects are present, _____, chairman of the _____ county Agricultural Conservation Committee, pointed out today.

"Even though farm-stored wheat is under loan," Mr. _____ said, "the grower is responsible for the condition of his crop. Furthermore, a farmer who has a purchase agreement can get the Government price support on his wheat only if his crop meets specified standards of grade and condition."

"Insect damage is greater than most farmers realize and makes the grain less acceptable to buyer and miller. Farmers who suspect insect infestations in the loan wheat stored on their farms should check with the county office and have their grain reinspected. Whenever infestations are found, the grain should be fumigated immediately."

According to Department of Agriculture recommendations, farm-stored grain should be fumigated within 6 weeks after it is placed in the bin in Central States and within 2 weeks after storage in the South. Fumigation following storage may not be necessary in Northern States, but it would be good insurance against infestation. One fumigation is usually enough to prevent serious damage from insects for the rest of the year in Northern and Central States. In the South, however, where warm weather lasts much longer, more than one fumigation per season may be necessary.

Instructions on how to fumigate stored wheat are available at county Agricultural Conservation offices and from county extension agents. Instructions should be followed exactly to protect the health and safety of the person applying the fumigant.

FAO REPORTS FARM PRICE PEAK PASSED - Indications are that the postwar peak in farm product prices has generally been passed, reports the Food and Agriculture Organization of the United Nations. Major influences affecting the decline were better farm production and a slackening of inflationary pressures.

Declines were greatest in such countries as Hungary, Finland, and France, where inflation held full sway in early postwar years but has since abated. Exceptions to the general decline occurred in countries where prices had previously been held down by government controls or where the production of meat and livestock products was of great importance. In Australia, for example, higher meat prices maintained general agricultural prices at a high level.

The report indicates that internal demand for farm products for domestic consumption seems likely to continue high in most countries during 1949.

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CONSERVATION WAY TO BALANCED ABUNDANCE - It is fortunate that the Nation's farmers can produce enough wheat, corn, cotton, potatoes and similar crops on fewer acres, says _____, chairman of the _____ county Agricultural Conservation Committee. By using less land to produce currently needed crops, farmers can build up more of their land as a reserve for the future.

The reduced emphasis on cash crops also opens the way for a better balanced production for present needs, the chairman points out. The need for more livestock and livestock products opens the way to a better deal for people generally and at the same time assures farmers of an income from land taken out of adjustment crops and put into pasture and hay. These crops, in turn, build up humus and plant food reserves for future production.

_____ estimates that _____ acres will need to be taken out of allotment crops in (County) as the State's share in bringing about a balance in production for the country as a whole.

Naturally, _____ said, each farmer faces problems in adjusting his production program. Even though he realizes that excess production brings lower prices and less income, his farm is geared to a particular production pattern. His machinery, labor and the way the land is being handled fit into that pattern.

But, despite difficulties, shifts in production must be made to bring about a better balance. When bins, cribs and warehouses are full -- excess production wastes soil fertility and depresses farm prices. Price support efforts without adjustments to changed needs place an unnecessary and expensive burden on the government.

In answer to critics of adjustment efforts, Mr. _____ states, "Those who look upon allotments as curtailing freedom -- somebody telling farmers what they can grow and what they can't -- fail to recognize that allotments are for the protection of both the farmer and the consumer. The program is merely an orderly means of adjusting production instead of bringing it about through depression and a market crash."

1950 AGRICULTURAL CONSERVATION PROGRAM ANNOUNCED - The 1950 Agricultural Conservation Program, which was recently announced by the Production and Marketing Administration of the U. S. Department of Agriculture, puts increased emphasis on conservation use of all farmland. The seeding of grass and legumes will be encouraged. This will stimulate a shift to livestock production and the building in the soil of food reserves for the future.

To achieve a balanced abundant production, both for the present and the future, farmers cooperating in the Agricultural Conservation Program will be assisted in carrying out conservation practices on their farms. This assistance will be especially needed in 1950 to help bring about the better balance in total farm production made possible by recommended decreases in the acreage of a number of cash crops. For instance, the recently announced acreage allotment

of 68.9 million acres for the 1950 wheat crop calls for a voluntary reduction of about 14 million acres from the acreage seeded for harvest in 1949. The 1950 Program will aid farmers in carrying out conservation use practices on the land taken out of such crops.

The major provisions of the 1950 Agricultural Conservation Program are based on recommendations of farmers and their local committees, State PMA committees, soil and crop specialists of Federal experiment stations, Land-Grant Colleges, other USDA agencies, and State departments of agriculture. Legislation authorizing the Program provides a basis for adapting to changing production patterns and food and fiber needs and for the adoption of the newer approved developments in conservation methods.

A national conservation practice outline for 1950 has gone to all States. States and counties will select the practices which need local emphasis. This makes possible the operation of a county-wide conservation plan flexible enough to meet the conservation needs on individual farms.

Farmers will be able, under the 1950 Agricultural Conservation Program, to select practices which will help most in attaining their conservation objectives.

Available to all farmers, and administered by farmer-elected committees in every agricultural county in the United States, Alaska, Hawaii, Puerto Rico and the Virgin Islands, the 1950 Agricultural Conservation Program provides a means of accelerating the adoption of improved methods of soil and water conservation.

Assistance is in the form of materials such as lime, fertilizers and seed; services such as the use of power machinery in dirt moving practices; and reimbursement payments on conservation practices carried out under program specifications. The assistance available averages less than 50 percent of the total "out-of-pocket" costs of approved practices, the farmer paying the rest of the cost.

Agricultural Conservation Program practices for 1950 will stress protecting soil from wind and water erosion, restoring and maintaining soil productivity, restoring and maintaining sustained yields on range and permanent pasture, conserving and obtaining efficient use of water for agriculture, and establishing, restoring and maintaining farm woodland at high levels of sustained yields.

Congress has authorized the initiation of a \$285 million Agricultural Conservation Program for 1950. Assistance in the form of materials, services and financial aid is limited under the program to not more than \$2500 per person.

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MECHANICAL COTTON PICKERS - Although harvesting of cotton by mechanical pickers has increased rapidly in the Mississippi Delta in the last few years, machines in use in the area generally harvest only a small part of the total production, according to a report based on a study made by the Mississippi Agricultural Experiment Station cooperating with the Bureau of Agricultural Economics, U. S. Department of Agriculture. Up to now mechanical pickers have been used only to supplement the hand labor force, it is pointed out.

The report, "Mechanical Cotton Picker Operation in the Yazoo-Mississippi Delta" covers a survey financed in part with funds from the Research and Marketing Act. Described as "preliminary," the report is part of a larger study dealing with all aspects of cotton mechanization.

Mechanically picked cotton in the Delta cost farmers, for harvesting, the equivalent of \$2.42 a hundred pounds of seed cotton in 1947 when rates for hand picking ranged from \$2.50 to \$4.50. Costs included wastage and grade losses, as well as operating costs. The latter includes out-of-pocket expenses and depreciation and interest on the actual cost of the machine.

Depreciation and repairs account for nearly 60 percent of the operating costs. For machine-picked cotton in 1947 operating costs averaged \$14.77 per

bale or about \$1 per hundred pounds of seed cotton. Wastage and loss due to lowering of the grade when machine picked increased the cost to \$2.42 per hundred pounds.

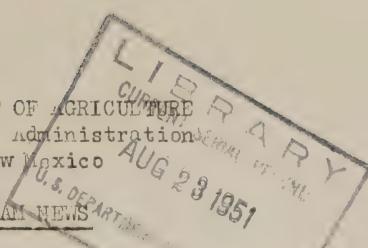
The study further indicates that the per-bale cost of harvesting cotton by machine could be greatly reduced if farmers could use their machines to capacity since the fixed cost for the machine is the same whether full or low-capacity use is made of it. Machines can harvest 8 to 10 bales per 10-hour day under favorable conditions, but the daily picking rate under actual conditions (performance of 26 mechanical pickers studied) in 1947 was only 3 1/2 bales. Under favorable conditions machines can harvest 150 to 200 bales of cotton per season. The machines studied averaged only 109 bales in 1947. Lower initial costs for the machines, lower cotton prices and improved ginning techniques would be factors favoring mechanical over hand picking.

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NEW MEXICO

UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
State College, New Mexico

WEEKLY FARM PROGRAM NEWS



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NO. 358

1950 ACP ANNOUNCED - Farmers of New Mexico will be encouraged to use the erosion control and soil building practices of the 1950 Agricultural Conservation Program to make the best use of land taken out of allotment crops, W. Leslie Martin, Chairman of the State PMA Committee said today. The national list of approved conservation practices has just been received and a State list is now being prepared for use in counties.

The chairman points out that the State wheat allotment of _____ acres calls for a reduction of _____ acres from the _____ acres seeded in 1949, and reductions may be needed in other crops also.

Where practicable the seeding of grass and legumes will be encouraged. This will make it possible to build soil reserves for the future and at the same time provide food for additional livestock. With livestock numbers low, an increase will bring about a better production balance. It will be balancing production, not cutting production, the State Chairman said.

The 1950 ACP program soon to be announced will be available to all farmers in the State.

"Farmers cooperating in the Program will be helping other farmers and the nation as a whole to build a stronger and more stable agriculture," says the chairman. "They will be building on the work already done and will be helping to put into practice the better methods of conservation farming resulting from experience and research."

Within a few weeks, State Handbooks carrying provisions of the program and a list of conservation practices which have been approved for New Mexico will be sent to counties to serve as a basis for county programs.

As in the past, assistance under the program will be in the form of materials, services and financial aid, amounting to about half the "out-of-pocket" cost of the practices. This assistance is not to exceed \$2500 to any one farmer. Under the 1949 Program assistance was limited to \$750.

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CONSERVATION PAYS - THE CONSUMER - The investment the country is making in conservation is paying off, and a substantial share of the dividends is going to the consumers, says _____, chairman of the _____ county Agricultural Conservation Committee.

The Agricultural Conservation Program is a consumer as well as a farmer program. The major objective is to maintain and improve the productivity of the land so there will be enough food and fiber to meet all needs.

As the chairman points out, the people of cities and towns are dependent upon the land for food and fiber. They have a vital interest in keeping the land productive.

And, says the chairman, the work being done under the program is paying off. While the conservation work completed by farmers cooperating in the ACP cannot be credited wholly with the tremendous increase in production since the "thirties," the improved productivity of the land has made increased production possible through better cultural methods, chemicals, and field crop strains.

This increased production during and since the war represents consumer dividends from the investment made by the government in conservation in the last 13 years, the chairman points out. But, further than that, the soil has been built up and is being built up to continue to produce abundantly in the future. The very fact that allotments are needed to bring production into balance with needs, is in part due to the effectiveness of the Agricultural Conservation Program.

And there are other direct consumer dividends which should not be overlooked, the chairman explains. The increased productivity of the land plus price supports adds to the farmer's buying power and increases activity in the transportation and merchandising of farm commodities. It means more business for Main Street and the market places in big cities.

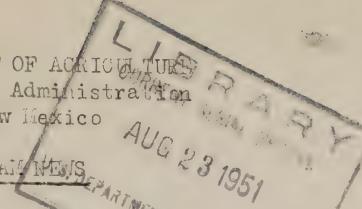
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NEW MEXICO

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WEEKLY FARM PROGRAM NEWS



8-19-49
NO. 359

FARM PROSPERITY MEANS MORE JOBS, SAYS BRANNAN - In support of his statement that business and labor are vitally concerned by the level of farm prosperity, Secretary of Agriculture Charles F. Brannan recently pointed out that farm spending this year will pay salaries for nearly $9\frac{1}{2}$ million jobs. As proof, he cited the following facts and figures:

***If farm income this year runs about 28 billion dollars, farmers can be expected to spend about 3.7 billion dollars for farm buildings, equipment, cars, trucks, and so on. This would provide jobs for $1\frac{1}{4}$ million workers.

***About $1\frac{1}{2}$ billion dollars will be spent for the operation of farm machines and motor vehicles. This adds up to half a million jobs.

***Close to $2\frac{1}{3}$ billion dollars will go as rent to nonfarmer landlords and for payments on mortgages. Another 800,000 jobs.

***About $5\frac{2}{3}$ billion dollars will be spent for feed, livestock, and services of middlemen. This is roughly equivalent to 1.9 million jobs.

***Almost $3\frac{1}{4}$ billion dollars will be spent for clothing and household goods, the equivalent of more than a million jobs.

***More than 4 billion dollars will be spent for transportation, medical care, recreation, education, etc. -- the equivalent of $1\frac{1}{3}$ million jobs.

***Taxes, savings, and investments will take $3\frac{1}{2}$ billion dollars, which is equal to about $1\frac{1}{6}$ million jobs.

Reminding his listeners that the trend in farm purchasing power over the past 18 months has been downward, the Secretary said that the time has come when we must have a price-support program that will prevent farm buying power from declining to a point of danger to national economic stability.

"We are not yet at the danger point," said the Secretary, "but how much farther do we dare permit the pendulum to swing?"

COTTONSEED LOANS AVAILABLE TO FARMERS - Cottonseed under the new Government loan program may be stored either on or off farms, _____, chairman of the _____ county Agricultural Conservation Committee, said today. Loans will be made at \$49.50 per ton -- which is 90 percent of the August 1 parity price -- on clean, safely-stored cottonseed having a moisture content of 10 percent or less.

Farmers who don't have enough storage for their cottonseed can also get farm-storage loans up to 85 percent of the cost of acquiring or building such structures. Mr. _____ points out that these storage construction loans will bear 4 percent interest and will be made for terms as long as 5 years. Such loans are also available for grains and some other crops.

Applications for loans on cottonseed of the 1949 crop may be filed at the county Agricultural Conservation Office. Farmers may bring cottonseed samples with them or else a representative of the county committee will visit the storage structure, take a sample, and determine the quantity. The producer may receive his money at the office or through a local lending agency.

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BRITISH DOLLAR CRISIS HITS U. S. FARM EXPORTS - There appears to be little immediate prospect for exports of a large number of U. S. products such as fresh fruit, including apples, pears, or grapes, to the United Kingdom. Tobacco, cotton, and sugar will also be reduced. Commodities not covered by current programs of the Economic Cooperation Administration will probably be most affected.

The current crisis in Britain's monetary policies is not due to an overall decline in British exports, but rather to declining exports to the dollar area, particularly the United States, says the Department of Agriculture's Office of Foreign Agricultural Relations.

Total United Kingdom exports are being well maintained. In the month just ended, the daily rate of exports was estimated higher than in any postwar months except January of this year. On a volume basis, total British exports in the first quarter of the calendar year 1949 were 56 percent above 1938.

Monthly United Kingdom exports to the United States averaged \$22 million in 1948 and \$21 million in the first quarter of 1949, but fell to less than \$14.5 million in May and to less than \$12 million in June.

Emergency steps taken by the United Kingdom will reduce its imports from the dollar area by about 25 percent below the 1948 level of \$1.6 million. This action on imports from the U. S., Canada, and other dollar areas was taken because of the decline in official gold and dollar reserves of the sterling area to \$1,624 million dollars, a drop of \$260 million in 3 months. A reserve of \$2 billion has been considered to be the minimum requirement of the area.

Traditionally, the United Kingdom has been the most important export market for such United States agricultural products as cotton, tobacco, lard, oranges, apples, and dried fruits. Just before World War II, the U. K. took more than one-third of U. S. exports of foodstuffs, cotton, and tobacco. During the war, when U. S. farmers expanded production to meet war needs, the U. K. took about 45 percent of U. S. agricultural exports.

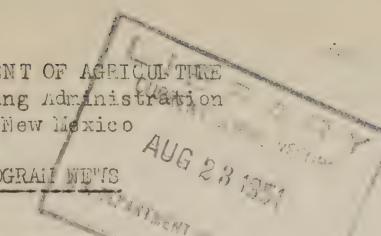
Difficult economic problems will have to be solved if the British market for U. S. agricultural products is to be permanently restored. The British Government has given assurance that an attack will be made on some of those problems, with a view to establishing a pattern of world trade in which the dollar and non-dollar countries can operate together within one single multilateral system.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
State College, New Mexico

NEW MEXICO

WEEKLY FARM PROGRAM NEWS



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NO. 360

FARMERS MUST HELP MAKE PROGRAMS WORK, SAYS TRIGG - The agricultural producer must play his full part in developing and carrying out programs to meet changing conditions and changing needs, Ralph S. Trigg, administrator of the Production and Marketing Administration, recently told a group of farmers in Maine.

"It is not enough for Congress to authorize farm programs, and for an agency in Washington to outline the details and make them available," Mr. Trigg said.
"The farmer himself must help make the programs work..."

"Price-support programs, at the levels authorized by Congress, are in effect for a number of farm commodities. Among these are several for which the open market price is now below this support level. Wheat and corn are good examples. This means that enough farmers are marketing outside the price-support structure to force the market price down. They either have not bothered to get the storage facilities necessary to take advantage of price support loans on storable commodities, or they have been willing to sell below the support level for reasons of their own.

"There is nothing that we can do about such a situation, except to make the support programs easily available and to urge farmers to take advantage of them. This we have done, and are continuing to do. Beyond that, farmers must make their own contribution.

"The same thing holds for the price-support programs for perishable commodities. Producers cannot expect the government to do it all. Any sound price-support action must be based upon the condition that farmers themselves will go along with necessary adjustments to make the programs workable, even if this means cutting down on the acreage they would like to plant."

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CCC LOANS AVAILABLE FOR NEW COTTONSEED STORAGE - Producers who do not have adequate storage to qualify for the newly announced cottonseed price-supporting loan program are reminded this week by the county Agricultural Conservation Committee that financial assistance to build new storage is available through the Commodity Credit Corporation.

Growers may borrow up to 85 percent of the actual cost of new structures that will meet CCC specifications for the price support loan, _____, committee chairman explains. Construction loans bear interest at 4 percent per annum and are repayable in not to exceed five years.

"Applications should be made at the county ACA Office," _____ states. "When an application is approved, the farmer is issued a 'loan commitment' which he may use to arrange for credit, if necessary, to secure building materials and services during the construction period. When the structure is completed, it will be inspected by a member of the county committee. If it has been built according to specifications, arrangements will be made to complete the loan."

_____ points out that the actual loan may be handled through a CCC approved local bank or other lending agency, or may be obtained directly from CCC at the borrower's option.

"Structures may be built either on or near the farm, but where the property is being leased, the borrower's lease must extend beyond the period of the loan," the chairman explains.

Under the cottonseed price support program announced by the U. S. Department of Agriculture on August 5, loans will be made at the rate of \$49.50 per ton on clean, safely-stored cottonseed having a moisture content of 11 percent or less. The loans will be non-recourse, secured by chattel mortgages on the seed, and the seed may be stored in approved structures either on or off the farm.

The price support loans will be available through December 31, 1949, payable on demand, and will mature not later than April 30, 1950. Application is made to the county Agricultural Conservation Committee at their office in _____.

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HURDLES HOLDS THE SOIL BUT IT MUST BE REPLACED - Generally, only about two or three years protection to the soil is provided when a good grass sod is plowed under. According to _____, chairman of the _____ county Agricultural Conservation Committee, research findings indicate that after two or three years the roots have decayed to the extent that most of their value as protection against erosion has been lost.

The studies indicate that during the two or three year period the plowed under vegetable matter is effective, it helps hold the soil together, adds to the ability of the soil to soak up water, protects the soil structure from breaking down and when the roots decay, they add to the fertility of the soil.

_____explains that kind of soil, condition of the soil, temperature, rainfall water and the velocity of winds have much to do with the rate of decay and amount of erosion. While in general plowed under sod offers erosion protection for two or three years, there are conditions where the period is reduced to one year or less. Some soils may become an erosion hazard the first year they are broken out of grass, which means that they should not be plowed.

This whole problem becomes of increasing importance, the chairman explains, now that farmers are again facing the need for reducing the acreage of tilled crops, providing a real opportunity to get land most susceptible to erosion back into grass. Not only will the grass protect the land but it will build reserves for future cropping if and when necessary.

Information on the Agricultural Conservation Program practices to help farmers to seed and maintain grasses and legumes may be obtained at the county ACP office located at _____.

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